

Child Impact Statement for:

Retention PILOT

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CIS authors assessing their own effort

The impact on children directly or indirectly affected by the effort will be:

Neutral

The effort will have a negligible effect on access to or protection of assets children need in order to prosper.

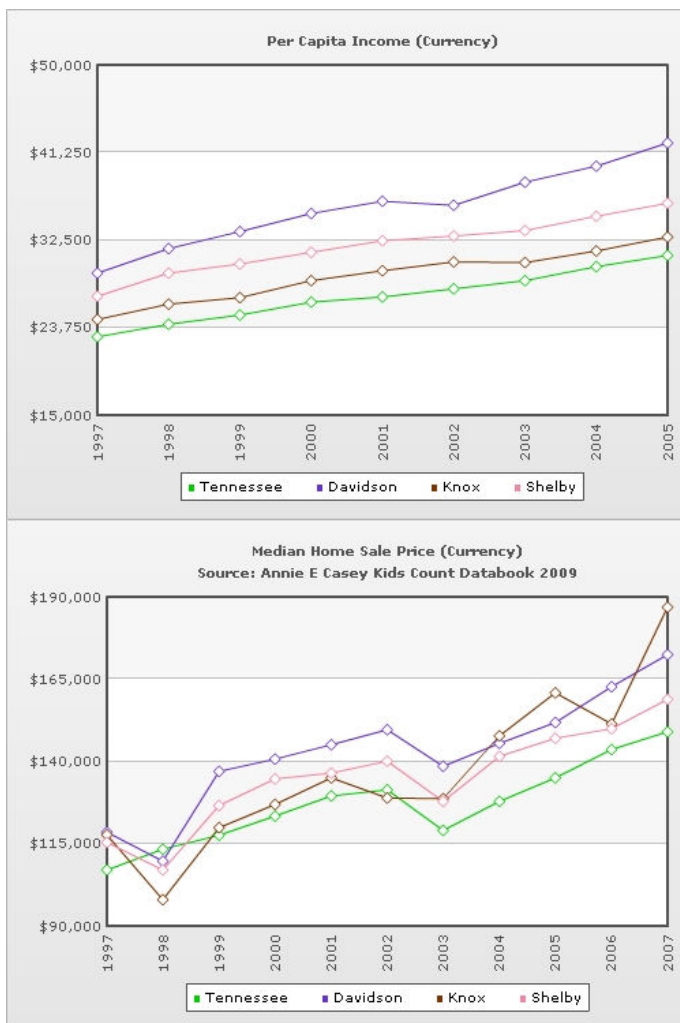
Evaluation

Concerns:

This body seeks to implement policies and procedures to grant PILOT incentives to Applicants based on job retention which are based on criteria established by the Industrial Development Board (IDB), so as to preserve jobs in Memphis and Shelby County.

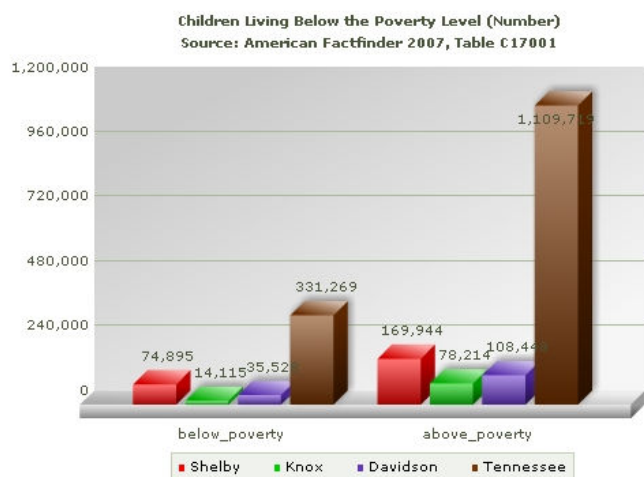
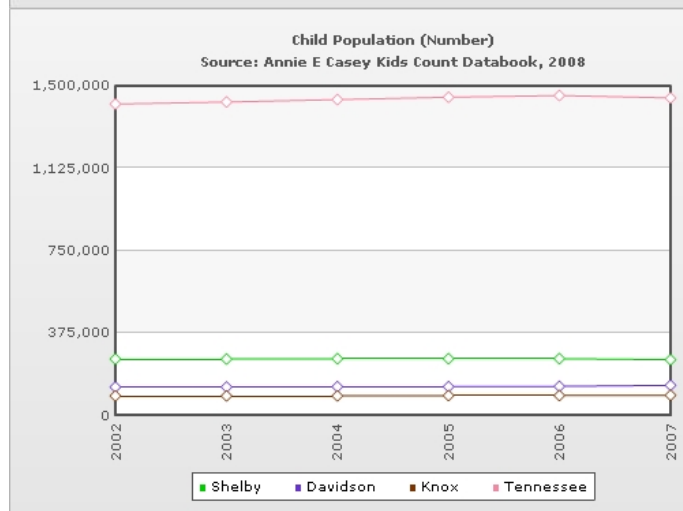
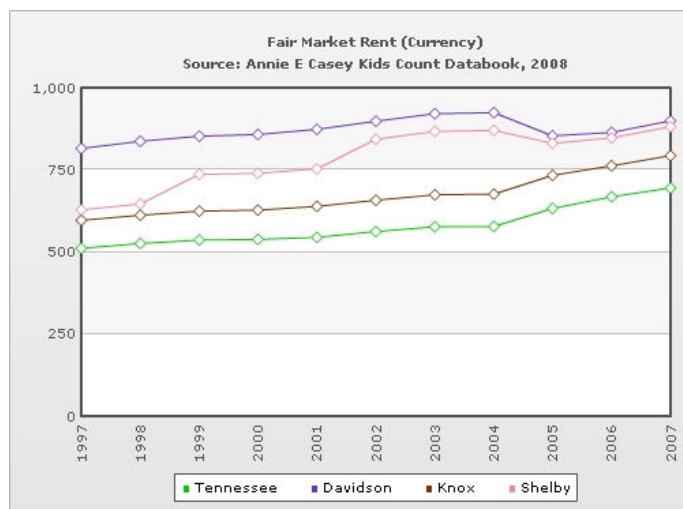
See below for a few graphs that indicate applicable social conditions for children and families within Shelby County. Listed are in order: Shelby County per capita income rate, housing costs, rental units' cost, the child population in Shelby County (the largest of all cities in TN), and the rate of children living below the poverty rate in Shelby County.

These conditions should be examined and incorporated into cost versus benefit analysis and matrix scoring system when considering the impact of any such transaction.



Child Impact Statement

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Justification:

Due to evolving economic conditions, the retention of jobs has taken on a significant urgency and due to significant changes in the national, regional, state and local economy, it has become necessary, according to the Industrial Development Board, to examine and develop new strategies to retain jobs in Memphis and Shelby County as no local retention incentives currently exist .

This decision is particularly important because the PILOT program of the Industrial Development Board has served as a key recruitment tool for Memphis and Shelby County in attracting new jobs and investment, using an internationally recognized benefit versus cost analysis and matrix scoring system to ensure that new jobs recruited to the community generate more revenues than taxes forgiven.

Memphis and Shelby County's unique location makes it an attractive place for business and with a retention PILOT, offers additional promise to continue to drive a local economy, thus affecting its citizens, children and families being the most affected.

Goals:

The goal is to provide objective, unbiased information to the legislative bodies so an informed decision can be made whether to grant authority to the Memphis and Shelby County Industrial Development Board to put policies and procedures in place to award PILOT benefits for job retention.

Actions:

The Industrial Development Board of the City of Memphis and County of Shelby seeks to adopt guidelines to award PILOT benefits to for job retention. The IDB requests that the Shelby County Commission, along with the Memphis City Council, agree to permit the IDB to adopt the Retention PILOT guidelines.

Benefits:

A Retention Pilot is a new and recommended strategy by the Industrial Development Board to retain jobs in Memphis and Shelby County, made especially important when competition between cities for jobs and industry has grown and economic conditions have been erratic. When economic conditions take downturn, children, the most vulnerable of our citizens are affected.

Research

The effort is a proposal to implement policies and procedures to grant PILOT incentives to Applicants based on job retention, based on criteria established by the Industrial Development Board, so as to preserve jobs in Memphis and Shelby County. After reading the summaries, the CIS authors are most concerned about Child Well-Being domains of Home and Family Environment, and Family Income. Home and Family Environment involves the well-being of children within their homes and surrounding contexts. This domain is heavily impacted by family income, because higher earnings correlate with higher rates of home and neighborhood safety. This domain also overlaps education, because parents' educational attainment impacts not only their children's potential, but their own readiness for the responsibilities and challenges of parenthood as well. And this domain overlaps health and mental & behavioral health, because they both concern the wellness of parents and children—from prenatal care, to preventative wellness visits, to sick care, to the reduction of toxic stress in the home. And along with quality childcare centers and pre-K programs, the physical, intellectual, and emotional nurturing that takes place in the home and neighborhood plays a vital role in early childhood development and thus the enhancement of children's potential. Also, Family Income should be taken into consideration. Family Income involves the wages and consistent employment required to support the home and family environment, promoting safety by protecting children from poverty. Data show that money matters. Poverty and low-income do not merely represent the absence of sufficient funds, but also the lack of adequate assets to improve one's circumstances—assets such as access to early childhood development, health, mental and behavioral health, and quality education resources. The cumulative lack of sufficient household incomes generates greater costs and risks across the entire community. Socioeconomic status continues to be the best predictor of child well-being. It correlates with the likelihood that a pregnant woman will receive early prenatal care and that new parents will have their children vaccinated. As children enter school, socioeconomic status is also the best predictor of school achievement, of the likelihood that children will graduate, will attend college, will avoid risky behaviors in adolescence, and will be of an older age when they themselves become parents. (Center for Urban Child Policy, 2008)

The CIS authors reached a stronger understanding of how child well-being relates to this effort as they reviewed the assets listed under each domain they are concerned about. After reviewing the assets, the CIS authors conclude that there are several assets to be considered. One of those assets is the Living Wage of employees working for such companies. It should be taken into consideration that a full-time job at low wages is often not enough to support a family. In Tennessee, 29% of children live in families with at least one parent who is employed full-time, year round, without lifting the family out of poverty. Child poverty rates are high. Across the state, 19% of all children live in poor families. (An additional 23% of children in Tennessee live in families that are low-income.) In Shelby County, 28% of children live in poverty. (Center for Urban Child Policy. 2008. Memphis: The Urban Child Institute) Another asset to be considered is Consistent employment: Full-time, full-year employment. Secure attachment to the labor force is a major road to financial stability and well-being for families. For low-income families, consistent employment is not a guarantee of escape from poverty but it is associated with higher family income and greater access to private health insurance. Higher income, in turn, is associated with many positive child outcomes including better health, academic achievement, and financial well-being as adults. (Center for Urban Child Policy. 2008. Memphis: The Urban Child Institute) Since most parents who obtain health insurance for themselves and their children do so through their employers, a secure job can also be a key means to providing children access to health care (America's Children in Brief: Key National Indicators of Well-Being. 2008: Federal Interagency Forum on Child and Family Statistics). Another asset related to this project is Protection from the harm of poverty: Reduced percentage of children in poverty as indicated

by poverty status and families receiving state and federal assistance. Children under 18 are much more likely than adults to be poor. Being raised in poverty places children at higher risk for a wide range of problems. Research indicates that poor children are disproportionately exposed to risk factors that may impair brain development and affect social and emotional development. Risks include exposure to environmental toxins, poor nutrition, maternal depression, parental substance abuse, trauma and abuse, violent crime, divorce, low quality childcare, and decreased mental stimulation and vocabulary exposure in infancy. (Center for Urban Child Policy. 2008. Memphis: The Urban Child Institute) Another asset to consider is Family and financial stability: Increased number of stable, caring, adult two-parent households. Many children (32%) in Tennessee are growing up in single-parent families that are particularly vulnerable. In Memphis, single-parent families earn 1/3 the income of families headed by married-couples. (Databook I. 2006. Memphis: The Urban Child Institute) Another asset to be considered is Neighborhood and community stability: Affordable housing, parks and recreational facilities, transportation, clothing and grocery stores, health clinics, and reduced degradation from abandoned commercial and private property through neighborhood revitalization and better zoning. Responsible investments for young children and their families focus on benefits relative to cost. Inexpensive services and projects that do not meet quality standards are a waste of money. Stated simply, sound policies seek maximum value rather than minimal cost. (Science of Early Childhood Development. 2007: The National Scientific Council on the Developing Child)

The authors reviewed the data graphs and charts for Family Income and Environment. The data reveal that Shelby County has the highest rate of children living below the poverty level. The hardest hit are low-income families, many of whom live in low and mixed income housing. The authors ask that all parties consider what a RETENTION PILOT can do to continue to stimulate the surrounding area economy and protect if not improve social conditions for industry employees, their families, and schools.

By adopting Retention PILOT guidelines, our community will have a tool in place to help protect existing jobs and the positive impact they have on driving the local economy.